

## MEMORANDUM

To: Reporters and editors

From: Scott Mulhauser and Erin Shields for Senate Finance Committee Chairman Max Baucus (D-Mont.)

Re: Baucus Comment on Medicare and Social Security Trustees Reports

Senate Finance Committee Chairman Max Baucus (D-Mont.) today stressed the importance of the health care reform law's provisions to strengthen the Medicare program in light of news that the economic crisis has decreased the number of workers and their contributions to the program from their paychecks. According to the independent Medicare actuary, the Affordable Care Act extends the life of the Medicare program by an additional 12 years. But, the actuary's news today that trust fund contributions are down because of the economic crisis makes the improvements in that law more important than ever. Baucus also commented on the Social Security Trustees Report which indicated that Social Security will remain fully solvent for 25 years and will be able to continue to pay nearly 80 percent of benefits in the years that follow. From Chairman Baucus:

**"Health care reform strengthened Medicare by cutting wasteful subsidies to private insurance companies and helping doctors save money by increasing coordination, and these improvements extended the life of the program by more than a decade. Our efforts to strengthen Medicare are now even more important because of the news that the current economic crisis has hit the Medicare trust fund and hit it hard. We must continue to fight for and protect the Medicare program to ensure it is as dependable for the next generation as it is for our seniors today.**

**"Though we have high deficits and debt, Social Security is not the cause of those problems and shouldn't be a scapegoat in our answer to them. Social Security's benefits are fully financed by contributions from future beneficiaries and they don't add a dime to the federal deficit. We should not try to use the Social Security benefits seniors have earned as an easy way out of this deficit crisis. Social Security needs a long term-answer, and we should develop a long-term solution, but the current situation does not necessitate rushed or severe action. We must continue to protect the Social Security benefits our seniors count on and also work to bring our deficits and debt down to strengthen and grow our economy."**

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